

U.S. Department of Labor

Assistant Secretary for
Employment and Training
Washington, D.C. 20210



SEP 23 2004

The Honorable Bob Riley
Governor of Alabama
State Capitol
600 Dexter Avenue
Montgomery, Alabama 36130-2751

Dear Governor Riley:

It is with pleasure that I respond to the State of Alabama's request for waivers of statutory and regulatory requirements under the Workforce Investment Act (WIA). This action is taken under the Secretary's authority to waive certain requirements of WIA Title I, subtitles B and E and Sections 8-10 of the Wagner-Peyser Act.

The waiver submission is written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c) and appears to meet the standard for approval at 20 CFR 661.420(e). The following is the disposition of the waiver submission (copy enclosed):

Requested Waiver 1: Waiver to permit local areas to use up to 10 percent of local area formula allocation funds to provide statewide employment and training activities.

The State of Alabama is seeking additional flexibility through the waiver process to meet employer demand for incumbent worker training. Accordingly, the state is granted a waiver of the language that limits the authority to provide the activities identified in WIA Sections 129(b) and 134 to the state. This waiver will permit local areas to request to use up to 10 percent of local area formula allocation funds for adults, dislocated workers and youth to provide statewide employment and training activities. These funds must be tracked by funding stream. The waiver is granted through June 30, 2005.

Requested Waiver 2: Waive WIA Section 122(d), which requires the annual submission by training providers of program information on all individuals participating in an applicable training program.

The State of Alabama indicates that this requirement has proven to be overly burdensome. Provisions related to the eligibility of providers are excluded from the Secretary's authority, and cannot be waived. The state currently has a waiver which extends the period of initial eligibility of training providers through June 30, 2005. We believe this waiver provides some relief, pending the outcome of WIA reauthorization.

Requested Waiver 3: Waive the membership requirements for state and local workforce investment boards, and substitute requirements along the lines of those proposed in the WIA reauthorization proposal, H.R. 1261.

The State of Alabama indicates that current requirements result in large and unwieldy workforce investment boards. We appreciate the state's desire to streamline its boards. The establishment and functions of local boards are excluded from the waiver authority, making local board membership unwaivable.

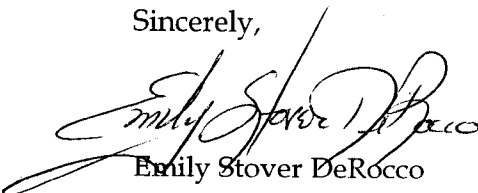
State board membership, however, is not excluded from the waiver authority. The state seeks to streamline its state board by reducing the number of state legislators, youth program representatives, and representatives experienced in the delivery of workforce investment activities, including chief executive officers of community colleges and community-based organizations. Additionally, the state seeks to remove the Governor as a required member of the board. The state would maintain all other state board members as currently required.

Accordingly, the state is granted a waiver of the state workforce investment board membership requirements at WIA Section 111(b), through June 30, 2005. This will provide the state the flexibility to reconfigure its state board as requested.

The granted waivers are incorporated by reference into the state's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and also constitute a modification of the state's approved five-year strategic plan. A copy of this letter should be filed with the state's WIA Grant Agreement and the state's approved five-year strategic plan, as appropriate.

We look forward to continuing our partnership with you and achieving better workforce investment outcomes. We are prepared to entertain other state and local-level waiver requests that you may wish to submit, consistent with the provisions of the WIA statute and regulations.

Sincerely,

A handwritten signature in black ink, appearing to read "Emily Stover DeRocco", is written over a horizontal line.

Emily Stover DeRocco

Enclosure